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TIMOTHY J. WALZ

CONGRESS OF THE UNITED STATES
FIRST DISTRICT, MINNESOTA
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ETERANS' AFFAIRS

April 23, 2010

The Honorable Eric Holder Attorney General U.S. Department of Justice 950 Pennsylvania Avenue, NW Room 1145 Washington, DC 20530 The Honorable Julius Genachowski Chairman Federal Communications Commission 445 Twelfth Street, SW Washington, DC 20554

Dear Attorney General Holder and Chairman Genachowski:

I write to you regarding concerns about the potential impact of Comcast's proposed acquisition of NBC Universal (NBCU). Without careful analysis and conditions to ensure a level playing field for competition, the increased market power and concentration of content from the merger has the potential to lead to higher costs for programming across the industry and higher fees for consumers – especially for customers of small multi-channel video programming distributors (MVPDs) in rural America.

As you know, the proposed merger would bring together the country's largest cable provider and internet service provider with one of the leading television broadcasters, which also owns several cable networks. A Comcast/NBCU combination would yield enormous market power. This giant post-merged company has the potential to charge its competitors and MVPD customers an overblown rate to access programming and establish onerous conditions. A combined Comcast/NBCU would have incentive and ability to set anti-competitive rates, terms, and conditions, which are already too often the norm with regard to contracts negotiated by video programming content providers today. These rates and conditions may negatively impact the rural multichannel video distribution market, and the merger demands thoughtful oversight.

Small, rural MVPDs already face significant barriers in their efforts to serve rural America. Adequate merger conditions are necessary in order to prevent the situation from further deterioration. Therefore, I recommend two policies be enacted to safeguard against the risks such market concentration may have on stifling competition. These suggested conditions include:

Require Comcast and NBCU to provide the Department of Justice and FCC full access to
program contracts between Comcast and NBCU and other MVPDs, including access to clauses
covering the prices, terms and conditions of programming, currently guarded under nondisclosure agreements.

2. Prohibit Comcast/NBCU from offering its own programming exclusively to its subscribers.

Thank you. I look forward to hearing from you regarding these matters.

Respectfully,

Tim Walz

Member of Congress

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FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

May 11, 2010

The Honorable Timothy J. Walz U.S. House of Representatives 1722 Longworth House Office Building Washington, D.C. 20515

Dear Congressman Walz:

Thank you for your letter regarding the proposed joint venture between Comcast Corporation and General Electric Company (GE), which includes GE's NBC Universal, Inc. I appreciate learning your views on the proposed transaction and your correspondence will be made part of the record in this proceeding.

On March 18, 2010, the Commission issued a *Public Notice* requesting public comment on the proposed Comcast-GE joint venture. On April 16, 2010, the Commission's Media Bureau suspended the May 3, 2010 deadline for public comment – temporarily stopping the 180-day informal time clock – pending the submission of two additional economic reports by the applicants. Those reports are now part of the record, and the Bureau has established a new pleading cycle. Comments and petitions to deny now are due June 21, 2010, responses to comments and petitions are due July 21, and replies are due August 5. Please be assured that the Commission will conduct a thorough and fact-based review of this proposed transaction. The issues discussed in your letter related to small multichannel video programming distributors and subscribers will be considered carefully as part of the Commission's independent review of the transaction. Please be assured that the Commission will conduct a thorough and fact-based review of this proposed transaction. The issues discussed in your letter related to small multichannel video programming distributors and subscribers will be considered carefully as part of the Commission's independent review of the transaction.

I appreciate your interest in this important matter. Please do not hesitate to contact me if I may be of further assistance.

Sincerely,

Julius Genachowski